



Los Angeles County
Board of Supervisors

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Second District

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Third District

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Fifth District

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

Christina R. Ghaly, M.D.
Deputy Director, Strategic Planning

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www.dhs.lacounty.gov

*To ensure access to high-quality,
patient-centered, cost-effective
healthcare to Los Angeles County
residents through direct services at
DHS facilities and through
collaboration with community and
university partners.*



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September 30, 2014

TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM:  Mitchell H. Katz, M.D.
Director

SUBJECT: **NOTIFICATION OF DEPARTMENT OF HEALTH
SERVICES' USE OF DELEGATED AUTHORITY TO
EXTEND HOME HEALTH AND/OR HOSPICE
SERVICES AGREEMENTS**

This is to advise the Board that the Department of Health Services (DHS) has exercised its delegated authority, approved on September 10, 2013 (attached), which allowed the Director of Health Services, or his authorized designee, to execute amendments to extend the term of the Home Health and/or Hospice Services Agreements and incorporate provisions consistent with County ordinance, Board policy, and State/federal requirements, subject to review and approval by County Counsel with notice to the Board and the Chief Executive Office.

The amendments extend the 13 existing Agreements for the period October 1, 2014 through December 31, 2014.

County Counsel reviewed and approved the Amendment as to form.

If you have any questions or require additional information, please let me know.

MHK:ck

Attachment

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors



ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

22 September 10, 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Los Angeles County
Board of Supervisors

September 03, 2013

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The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENTS TO AGREEMENTS FOR AS NEEDED,
INTERMITTENT HOME HEALTH AND HOSPICE SERVICES
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

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Approval of Amendments to extend the term of Agreements with contractors for the continued provision of as needed, intermittent Home Health and Hospice Services for Department of Health Services' facilities.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Director of Health Services (Director), or his designee, to execute Amendments, to extend the term and update required County provisions of Agreements with 13 contractors, identified on Attachment A, for the continued provision of as needed, intermittent Home Health and Hospice Services for Harbor-UCLA Medical Center (H-UCLA MC), LAC+USC Medical Center (LAC+USC MC), Martin Luther King, Jr. Multi-Service Ambulatory Care Center (MLK MACC), Olive View-UCLA Medical Center (OV-UCLA MC), and Rancho Los Amigos National Rehabilitation Center (RLANRC), effective upon execution by the parties following Board approval, for the period October 1, 2013 through September 30, 2014, with an option to extend the term on a month-to-month basis for a period not to exceed an additional three months, with no increase in rates and for a total estimated cost of \$2,145,000 during the initial one-year extension period.
2. Delegate authority to the Director, or his designee, to execute future



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Amendments to Agreements to incorporate provisions consistent with County ordinance, Board policy, and State/federal requirements, subject to review and approval by County Counsel, with notice to the Board and the Chief Executive Office (CEO).

3. Delegate continued authority to the Director, or his designee, to execute Agreements with other interested home health and hospice providers who meet the Department of Health Services (DHS or Department) contracting criteria and accept County rates for these services during the term of the Agreements.

4. Delegate continued authority to the Director, or his designee, to extend the term of the Agreements on a month-to-month basis for up to three additional months beyond the stated expiration date, if extension of the term is in the best interest of the County, and upon written mutual agreement by the County and the contractors, subject to review and approval by County Counsel, with notice to the Board and the CEO.

5. Delegate continued authority to the Director, or his designee, to terminate with or without cause any of the Agreements with agencies as necessary, subject to review and approval by County Counsel, with notice to the Board and the CEO.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommendation will allow the Director or his designee to execute Amendments, substantially similar to Exhibits I and II, to the Home Health and Hospice Services Agreements. The current Agreements are slated to expire on September 30, 2013. The extension of these Agreements is essential to sustaining inpatient bed capacity, alternative care in the home or home-like setting for patients who may be safely discharged to those settings and geographic coverage for these services.

Approval of the second recommendation will allow DHS to add or revise standard agreement provisions as determined by County ordinance, Board policy, and State/federal requirements.

Approval of the third recommendation will allow DHS to expand geographic coverage and capacity of such services if necessary during the extended term. Any Agreements executed under this delegated authority will be co-terminus with the current Agreement term.

Approval of the fourth recommendation will permit DHS to further extend the Agreements in the event that additional time is needed to complete the solicitation process, select new providers, and obtain Board approval.

Approval of the fifth recommendation will enable DHS to terminate any of the Agreements during the extension period.

Home Health and Hospice Services were obtained through an open solicitation process conducted in 2008 to establish master agreements with providers who meet the geographic access needs and contracting criteria of DHS. Until DHS completes its re-solicitation and selection of new agreements for subsequent Board approval, it is in the best interest of the County to extend the Home Health and Hospice Services agreements with current contractors to continue the timely discharge of patients receiving inpatient services in a more costly County hospital setting and minimize re-hospitalization,

thereby increasing inpatient capacity in County hospitals.

Implementation of Strategic Plan Goals

The recommended action supports Goal 1, Operational Effectiveness, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The Home Health and Hospice contractors will be paid at the rates in effect as of September 30, 2013 during the extension period. The total estimated cost for Home Health and Hospice Services for the period of October 1, 2013 through September 30, 2014 is \$2,145,000 consisting of \$1,204,000 for H-UCLA MC, \$704,000 for LAC+USC MC, \$25,000 for MLK MACC, \$124,000 for OV-UCLA MC, and \$88,000 for RLANRC.

Funding will be requested in DHS' Fiscal Year 2013-2014 Supplemental Budget Resolution.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Historically, DHS has obtained Home Health and Hospice Services as a means of providing inpatients post-discharge care either at home or in a home-like environment. These services are vital to DHS ensuring that its inpatient facilities maintain capacity for those patients most in need of such care and that patients who are able to be discharged home or to a home-like environment have that option as opposed to remaining in a hospital setting.

With the onset of the Patient Protection and Affordable Care Act, Home Health and Hospice Services will be of increased importance as those services generally reduce avoidable and costly hospital stays/re-admissions and play a vital role in the care coordination of patients. Such services are generally recognized as among the most cost-effective for long-term healthcare by providing patients with medical care and monitoring, support, and health education in a lower-cost setting at home or in a homelike environment. As such, DHS will be reviewing these services and its contract program in the next year to ensure that it meets any applicable requirements of the Affordable Care Act and the goals and objectives of DHS' system of care going forward.

On March 11, 2008, the Board approved 17 Home Health and Hospice Agreements as a result of a Request for Qualifications process, effective April 1, 2008 through March 31, 2009, with four automatic one-year renewals through March 31, 2013. The Board also delegated authority to the Director to: i) offer and execute such agreements with other licensed and qualified agencies, ii) approved changes to the scope of work to meet patients' needs, iii) execute and approve cost-of-living adjustments under specified conditions, iv) further extend the term on a month-to-month basis up to September 30, 2013, and v) terminate with or without cause any of the Agreements with agencies as necessary, all subject to prior approvals from Counsel and CEO.

The Agreements include provisions for termination with or without cause, upon 10 calendar days' prior written notice to the Contractor and 30 calendar days' prior written notice by the Contractor.

Contract monitoring functions will continue to be performed by the DHS facilities.

Exhibits I and II have been approved as to form by County Counsel.

Home Health and Hospice Services are not subject to Proposition A, as the services are intermittent and as needed and, therefore, not subject to the Living Wage Program (Los Angeles County Code Chapter 2.201).

CONTRACTING PROCESS

The Department is currently updating and developing new Home Health and Hospice Agreements to improve administrative and monitoring efficiencies, implement any requirements of the Affordable Care Act. DHS will be re-soliciting such services during the extension period. The Department intends to seek Board approval of new agreements prior to the September 30, 2014 expiration date of the extended Agreements.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will ensure the continued provision of Home Health and Hospice Services for DHS patients.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Mitchell Katz". The signature is fluid and cursive, with the first name "Mitchell" written in a larger, more prominent script than the last name "Katz".

Mitchell H. Katz, M.D.

Director

MHK:ck

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

HOME HEALTH AND HOSPICE AGREEMENTS

EXHIBIT I – Home Health Services**EXHIBIT II – Hospice Services**

1. AC Home Health Agency, Inc.
3870 Crenshaw Blvd., Suite 205
Los Angeles, CA 90008
Amelia M. Campell, Administrator
Telephone: (923) 294-5189
Contract No. H-703171
2. Admiral Home Health, Inc.
4010 Watson Plaza Drive, Suite 140
Lakewood, CA 90712
Josie Jones, CEO
Telephone: (562) 421-0777
Contract No. H-703201
3. Good Hope Home Health Care, Inc.
484 E. Foothill Blvd.
Upland, CA 91786
Comfort Allionwu, Administrator
Telephone: (909) 920-6700
Contract No. H-703174
4. Oceanside Home Health Services, Inc.
4322 Wilshire Blvd. Suite 208
Los Angeles, CA 90010
Kibure Tilahun, CEO
Telephone: (323) 934-5050
Contract No. H-703173
5. Tender Care Home Health
415 W. Valley Blvd., #A
San Gabriel, CA 91776
May Lay Mak, Administrator
Telephone: (626) 943-8988
Contract No. H-703172
6. Verdugo Hills Nursing Association, dba VNA Care
2826 E. Foothill Blvd. Suite 201
Pasadena, CA 91107
Raj Walia, Executive Director
Telephone: (949) 263-4705
Contract No. H-703176
7. VNA Home Health Systems
2500 Red Hill Ave., #015
Santa Ana, CA 92705
Raj Walia, Executive Director
Telephone: (949) 263-4705
Contract No. H-703175

1. Admiral Hospice Care
4010 Watson Plaza Drive, Suite 140
Lakewood, CA 90712
Josie Jones, CEO
Telephone: (562) 421-0777
Contract No. H-703837
2. Hope International Hospice, Inc.
20705 S. Western Ave., Suite 112
Torrance, CA 90501
Soorni Nihara, Director Patient Care
Telephone: (310) 782-7070
Contract No. H-703179
3. ProCare Hospice Corp.
42442 N. 10th Street, Suite E
Lancaster, CA 93534
M. Brian Michaelsen, Director Operations
Telephone: (661) 951-1146
Contract No. H-703180
4. St. Claire Hospice, Inc., dba Angles Vista Hospice
8501 Wilshire Blvd., Suite 336
Beverly Hills, CA 90211
Margaret Lanam, Administrator
Telephone: (310) 933-6886
Contract No. H-703197
5. Verdugo Hills Nursing Association, dba VNA Care
2826 E. Foothill Blvd. Suite 101
Pasadena, CA 91107
Raj Walia, Executive Director
Telephone: (949) 263-4705
Contract No. H-703178
6. Vitas Healthcare Corp. of California
16830 Ventura Boulevard, Suite 315
Encino, CA 91436
Sue Mailer, Director of Managed Care
Telephone: (818) 971-3448
Contract No. H-703181